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TO: The Governor of the State of Illinois  
The Honorable Members of the Illinois General Assembly

The Illinois Department on Aging (IDoA) is pleased to offer the July 1, 2014, bi-monthly report as required by HB2275 (Public Act 98-0008). The report describes in detail the progress to-date by amended ILCS statute, pertaining to IDoA's Community Care Program (CCP) goals outlined in the legislation.

Note that Public Act 98-008 required Aging to provide evidence to the Auditor General by February 1, 2014, that it has undertaken the actions listed in its implementation report. The Act required the Office of the Auditor General (OAG) to review the evidence submitted by Aging and issue a report to the Governor and legislative leaders no later than April 1, 2014, as to whether Aging took the actions listed in its implementation report. On March 26, 2014, the Office of the Auditor General released its Review of the Department on Aging's Community Care Program Reform Implementation. The Office of the Auditor General report concluded that the evidence submitted by Aging generally supported the actions reported by the Department.

As many of the provisions in 98-008 have been completed, this report and subsequent reports to the General Assembly will be divided into two sections; Provisions in Progress and Completed Provisions.

Finally, the quarterly report regarding Service Authorization Guidelines is reflected as an addendum to this document.

#### **Provisions in Progress**

20 ILCS 105/4.01(2-a) (provide data sharing and requested employment information verification for CCP providers)

- **As of April 29, 2014, all interagency governmental agreements (IGA) pertaining to data sharing have been signed to enhance the verification and eligibility determination processes for services that are administered by the Department, except for the Department of Revenue. On June 17, 2014, the Department of Revenue submitted an IGA draft to IDoA. IDoA legal is reviewing the agreement.**

20 ILCS 105/4.02 (quarterly reporting on CCU's (Care Coordination Units) performance and adherence to service guidelines.

- **The Department conducted four performance reviews to monitor adherence to the service authorization guidelines. The first review conducted by the Department on April 15-17, 2014, found 9 of the 34 files reviewed to be non-compliant with the service authorization guidelines. The second review conducted by the Department on May 20-21, 2014, found 27 of the 45 files reviewed to be non-compliant with the service authorization guidelines. Based on these findings the Department provided the CCU with on- site technical assistance and instructions for compliance. The third and fourth performance reviews were conducted by the Department on June 18-19 and June 19-20 2014. The Department is in the process of finalizing the data which will be included in the next report. The Department will provide training for CCUs who have problems with service authorization compliance.**

20 ILCS 105/4.02(10) (Medicaid waiver enrollment and claiming improvements)

- **The Department and DHS have authorized all but three of the CCUs access to PACIS. The three CCUs still remain without access due to their untimely submittal of required information. PACIS has helped the CCUs track the progress of Medicaid waiver enrollments. DHS has provided Family Community Resource Centers (FCRC) liaisons to each CCU for assistance with correcting waiver enrollments and processing. DHS implemented two processing centers, one each in Chicago and Macomb to help streamline the Medicaid application process and improve Medicaid claims. The Macon County processing center is not fully staffed, however the center is operational. The interagency stakeholder group met in June and continues to work on enhancing the claiming process.**

20 LCS 105/4.02(11) (seven-minute rounding policy clarification)

- **As of April 1, 2013, IDoA has developed a policy that requires implementation of rounding from seven minutes up or down to the nearest quarter hour as a new method for calculating in-home service units, in accordance with the Federal Fair Labor Standards Act [29 CFR 785.48(b)]. The policy became effective on May 1, 2013. The Department has been monitoring for rounding of hours on reviews and agencies reviewed have been in compliance. The Department continues to find agencies compliant with the seven minute rounding policy.**

### Completed Provisions

20 ILCS 105/4.02(7) (Balance Incentive Payment Program (BIP)) - CCP effectiveness under Medicaid Waiver)

- **HFS submitted the BIP application to the federal Centers for Medicare and Medicaid Services (CMS) in March 2013. On June 12, 2013, the State of Illinois received official notification from federal CMS regarding the awarding of the BIP grant. The project period is July 1, 2013, through September 30, 2015. Aging noted that Illinois will receive an enhanced 2 percent match on non-institutional long-term services and supports, estimated at \$90.3 million during the project period.**

20 ILCS 105/4.02(12) (coordinated (i.e., managed care) enrollment)

- **Policies for the Integrated Care Program (ICP) have been finalized to ensure the smooth transition of CCP clients to managed care entities (MCEs). The Department continues to meet on a regular basis with the Department of Healthcare and Family Services, as well as the MCEs to address issues that arise to ensure that care provided is consistent with federal waiver requirements.**

20 ILCS 105/4.02(13) (maintain existing (FY13) CCP rate increase in FY14)

- **All current CCP fee-for-service rates remain unchanged at the FY13 level.**

20 ILCS 105/4.02 (Electronic Visit Verification (EVV))

- **Public Act 097-0689 (or the S.M.A.R.T. Act) mandates the Community Care Program (CCP) to implement electronic visit verification (EVV). The purpose of EVV is to record the arrival and departure time of each service visit by the homecare aide to the participant's home, which seeks to improve accurate billing, safeguard against fraud, and enable greater oversight of the service delivery. The CCP EVV requirement became effective on July 1, 2013. It is predicated on a "standards-based model" that allows providers flexibility to employ an EVV system of their choice and at their own expense, as long as they meet the Department's EVV standards on an ongoing basis. The citation for the adopted EVV rulemaking is 38 Ill. Reg. 5800 (March 7, 2014) – See link below. The Department is in possession of the required EVV certification documentation for all 106 INH legal entities.**

[http://www.cyberdriveillinois.com/departments/index/register/register\\_volume38\\_issue10.pdf](http://www.cyberdriveillinois.com/departments/index/register/register_volume38_issue10.pdf)

20 ILCS 105/4.02 (reporting requirements /bi-monthly reporting)

- **Reports have been filed on a bi-monthly basis.**

20 ILCS 105/4.02 (CCP providers submission of bills or invoices)

- **The Department's online billing system for Vendor Requests for Payment was modified to contain certification language referring to a physical notarized statement that the provider has complied with all Department policies. Although this statement does not mention the Notarized Certification form, a user cannot see this statement or agree to it unless they have submitted a Billing Certification Form (containing the notarized statement) and are authorized to use the system in the first place.**

30 ILCS 105/25 (prior CCP liability payment cap)

- **Toward the end of fiscal year 2013, the General Assembly approved two supplemental appropriations for the Community Care Program to resolve unfunded liability. The first supplemental appropriation was for \$173 million which allowed the Department to pay prior years' liability through FY12. The second supplemental appropriation of \$142 million provided the Department sufficient funds to pay for FY13 services provided through June 30, 2013. The Department's FY14 budget does not have prior year billing provisions in the appropriation; whereas, the Department also projects to have adequate funds in the current FY14 budget to satisfy projected obligations. Aging has communicated to providers the urgency of billing promptly, and that failure to submit FY14 bills prior to the end of the FY14 lapse period would require vendors to seek payment through the Court of Claims. Aging noted that it does not have a re-appropriated line in the FY14 budget.**

Please do not hesitate to contact me if you have any questions regarding this report.

Sincerely,



John K. Holton, PhD  
Director  
Illinois Department on Aging

cc: Mary Killough, Deputy Director  
Deb Shipley, Chief of Staff-Operations

## ADDENDUM

**Illinois Department on Aging  
Community Care Program  
Service Authorization Guidelines Analysis  
May 31, 2014**

**Introduction:** Public Act 98-0008 (or HB2275) requires the Department to report on the reinforcement of service authorization guidelines for Plan of Care assessments done by Illinois Department on Agings' Care Coordination Units (CCUs) for Community Care Program applicants and participants. Specifically, the Act requires the department to "conduct a quarterly review of Care Coordination Unit performance and adherence to service guidelines. The Department shall collect and report longitudinal data on the performance of each care coordination unit. Nothing in this paragraph shall be construed to require the Department to identify specific care coordination units."

**Background:** The Department implemented the Service Authorization Guidelines (SAG) policy for Care Coordination Units (CCUs) statewide in May 2013. The overall intent of re-issuing guidelines was to strengthen consistent application of service tasks approvals across the state in developing clients' Plan of Care, and to assure that services are approved according to an individual's need while promoting the participant's health, safety and welfare. The guidelines do not impact access or eligibility to the CCP; change the Determination of Need (DON) tool or the Service Cost Maximums. Statewide training was provided to Care Coordinators in April 2013. The Department has established a review process to ensure that the eligibility and services authorized are consistent with CCP policies and procedures, and has initiated the process to begin reviews by requesting records from affected CCUs. Staff also complete onsite CCU reviews monthly since November 2013, as a part of the increased efforts to ensure compliance monitoring and improved quality assurance outcomes.

**Methodology:** In order to establish a baseline for the Department's analysis and ongoing monitoring of the Service Authorization Guidelines (SAG) and the impact on CCP activities and resources, the Department reviewed caseload, DON scores, service authorization and utilization levels for CCP participants who received redetermination and initial assessment for the first ten-month period following the effective date of the policy (i.e., May 1 through February 28, 2014), as compared to the same ten-month period in the previous year.

## Findings

**Overall In-home Service Caseload:** Using baseline data from May 2013, the Department examined the authorized and delivered units for the entire caseload receiving in-home service (only) and Determination of Need (DON) scores during which had the following results:

1. The monthly average INH caseload increased by almost 2,800 clients to 76,239 or 3.8%
2. The monthly average DON score decreased by 0.6 points to 48, or 1.3%
3. The monthly average authorized units increased from 58.0 to 59.3, or 1.3 units, or 2.2%
4. The monthly average delivered units increased from 45.5 to 46.0 or 0.5 units, or 1.1%

**INH Clients who received a Redetermination:** The data for the six-month period from May 2013 to February 2014, compared with the same period in the prior year also revealed the following findings:

1. Clients are required to receive a re-determination annually to determine their continued eligibility for service and to timely monitor changes in the client's condition. However, a re-de may be conducted earlier if there is a change in the participant's health or a situation that warrants a re-determination. The average number of re-determinations increased by over 15 assessments to an average of almost 5,600 monthly re-determinations or 0.3%. An average of 7.3% of the monthly caseload received a re-determination during the specified period for 2013, compared to 7.5% during the prior year.
2. The monthly average DON score decreased to 48 by 1 point or 2%.
3. The monthly average authorized units increased to 59 units a month, or 0.5 unit, or 0.4%
4. The monthly average delivered units remained fairly level at 41.5 units.

**Initial Assessments:** The decreasing trend(s) for initial assessments that were observed and reported in the first and second quarterly reports were maintained this quarter as well, or for the ten-month period of May through February 2014. An average of almost 1,600 initial assessments was conducted monthly, compared to almost 1,900 during the previous year during the same time period. Due to billing data lag, the Department is still continuing its in-depth analysis that will include an examination by CCUs along with field review data. Notwithstanding, the SAG analysis is showing encouraging results when comparing the initial client assessments. The average authorized monthly number of units was 48 (11 units less or -19%), compared to 59 units on average for existing clients in 2013 for the period examined. There was also a notable difference in the average DON score of 44 for new client initials, compared to 48 for existing clients, which is a difference of 4 points less (-8%). The reduction in

initial assessments has a positive effect on slowing the rate of growth, contributing to managing a more sustainable program, and staying within the existing FY14 enacted budget.

**Conclusion:** The changes observed regarding the Service Authorization Guidelines is a direct correlation to the efforts to improve care coordination; exercise greater control and consistency in developing clients' Plan of Care, and enhanced training. It also demonstrates both the benefits of and the need for an increased and ongoing field monitoring presence along with more field staff to maintain reliable quality assurance and oversight of the CCP provider network statewide, and as contractually required. The Community Care Program is still experiencing an increase in growth due to the aging of the population. However, the growth is occurring at a slower rate than was projected. The observed trends with the recent initial assessments, coupled with implementation of Electronic Visit Verification, and clients being transferred to managed care are just some of the major policy initiatives which collectively are critical to improve clients' care options, enhancing accountability, managing risk, and containing costs, while balancing demand with limited financial resources.